WAR IS OVER; NO INDEMNITY.

Envoys Agree on Peace When Japan Drops Demand for Millions.

GETS HALF OF SAKHALIN.

Russians Surprised and Feel That the Diplomatic Victory is Theirs.

Request Sent to Czar and Mikado Askins That Armistice Be Declared Until the Treaty Can Be Signed-Prof. Martens and Mr. Denison to Draw That Document-Enveys Will Go to Washington to Affix Their Signatures-Russia to Pay for Maintenance of Prison ers in Japan -Though Japan Has Violded Mnch. She Gets More Than Her Demands Before War Started-Witte Says It Is an Henerable Peace for Russia—Tells How He Steed Firm Against an Indomnity.

PORTSMOUTH, N. H., Aug. 29 .- Peace be tween Japan and Russia is now a certainty. Every matter of principle has been determined and all that remains is the arrangement of details.

Suddenly, almost unexpectedly, the envoys of the Czar and the envoys of the Mikado, who have been engaged for three weeks in an attempt to reach an agreement upon the differences that stood in the way of a discontinuance of hostilities, came into accord this morning and announced to the world that the Portsmouth conference wa s to have a successful outcome. Here is the announcement:

"In the session of the morning of Aug. 29 the conference arrived at a complete accord on all the questions. It was decided to proceed to the elaboraton of the treaty. The conference adjourned until 3 o'clock

It was the Japanese who made possible the happy understanding reached to-day. Opinion in Portsmouth differs at to the propriety or the wisdom of their action, but the fact remains that had it not been for the conciliatory spirit manifested by the representatives of the Tokio Government the war would have gone on and more thousands of lives would have been sacrificed.

By the terms of agreement reached today Russia will not pay a cent of indemnity to her victorious enemy.

She will lose half of the island of Sakhalin, now held by the Japaness forces, but will receive back the other half without compensating Japan.

The actual cost to which Japan was put in caring for the 65,000 Russian soldiers and sailors captured in action will be paid by Russia in accordance with the terms of the Hague convention. This, however, will not be tribute money, and its payment casts no stigma on Russian pride or honor.

In other words, Russia will pay nothing except proper expenses and will give to Japan part of the Czar's territory acquired by conquest by the Japanese in the war now brought to an end.

An armistice is to be arranged immediately. There will be no more fighting. RUSSIANS WERE SURPRISED.

The concessions from the Japanese envoys which made the peace agreement possible came as a tremendous surprise to the Russian plenipotentiaries. Mr. Witte acknowledges that he was thunderstruck Like his colleague, Baron Rosen, he had gone to the conference room this morning believing that his adversaries would have some new proposition to offer that would indicate a conciliatory spirit, but he was virtually convinced that it would not be so generous as to prove satisfactory to Russia.

Most of the Russians who are here officially. Mr. Witte among them, had made up their minds that Japan would insist that Russia would make some sort of money payment, but they did not expect that every claim to compensation would be waived, and that Japan would consent to return to Russia part of conquered Sakhalin without demanding some sort of remuneration for her generosity.

Therefore, Mr. Witte could hardly credit what he heard when Baron Komura not only withdrew the demand for indemnification, but accepted a proposal from the Russians that the disposition of Sakhalin be arranged on the basis of a division of that strip of island territory.

RUSSIANS CLAIM THE VICTORY.

The Russians are jubilant. They say that they have achieved a great diplomatic victory; that the Japanese have been outgeneralled in their attempt to inflict puni-

tive damages upon the Car's Government The Japanese representatives here are deeply disappointed, but they are holding their tongues. They cannot criticize those at Tokio who were responsible for the radical concessions that made peace possible.

Dear one, you remember The lovely September We had on Long Island lest year, When we salled on the hay Played golf and trought— Let us go there again, my disc.—des

Among the native Japanese newspaper men there is a very deep feeling of anger and chagrin. They maintain that the people at home will be furious over the agreement of the Government to make assert, is entitled to compensation from Russia: needs it. in fact, and feeling in the country will run high when the news is spread that there is to be no indemnity, no remuneration for the money cost to which Japan has been put to prosecute the war.

WHAT JAPAN GETS FROM THE WAR.

Without doubt Russia has won the honors in the diplomatic contest over the serious questions that divided the two nations in their endeavor to arrange terms of peace, but in the comment which their success has caused among the many at Portsmouth who are concerned or interested in the negotiations the fact appears to have been forgotten that Japan by the provisions of the treaty will secure everything for which she went to war, and even more. She will have a free hand in Corea; be even stronger and more influential there than she was prior to the outbreak of hostilities. The Russian forces are to be withdrawn from Chinese territory. Nearly every mile of the great Russian railroad in Manchuria comes into Japanese possession. Port Arthur and the Liaotung Peninsula are hers. That part of Sakhalin Island which is nearest to Vladivostok is to be Japanese

When she went to war with Russis Japan's object was to save herself from the menace of the Russian occupation of Manchuria and the threatened extension of the Czer's influence in that Chinese province and clean across Cores to the very door of the Mikado's territory. The idea that the Portsmouth conference has resulted in an empty victory or no victory at all for Japan does not appear to be borne out by the facts.

PRESIDENT ROOSEVELT'S PART. The part played by President Roosevel in helping to produce the outcome annonneed to-day has not been explained in detail, but enough is known to justify the conclusion that the President's influence had much to do with securing peace.

It was through his solicitation that the Czar agreed to cede half the island of Sakhalin to Japan, and while the causes that led to the unexpected generosity on the part of the Mikado in waiving the claim to indemnity have not been disclosed or explained there can be no doubt that it was the President who changed the current of sentiment at Tokio at a time when neither belligerent was inclined to recede an inch from its position and the continuance of the war appeared to be a certainty.

THE PINAL MEGOTIATIONS. The beginning of the end came on Sunday night, when Mr. Takahira, the junior Japaness envoy, called on Mr. Witte for the ontensible purpose of requesting that there should be a postponement of the next session of the conferens from Monday until to-day. In the course of a conversation which the two envoys had at that time Mr. Takahira brought up the subject of a noney payment by Russia, suggesting the it might be given as compensation for the

return by Japan of part of Sakhalin Island. Mr. Witte declined absolutely to consider the suggestion. He made it plain that he would never consent to have Russia pay Japan a penny, and announced that if the Japanese did not withdraw their demand for remuneration the conference would

end in failure. This information was communicated to Tokio, and it is the understanding here that with the certain knowledge that the war would continue if Japan refused to compromise on any other than a pecuniary basis and with telegrams before them from President Roosevelt urging magnanimity the Japanese Emperor and his advisers decided to waive the indemnity condition and thus to pave the way for

An official statement concerning the action of the Tokio Government was furnished to-night by the Japanese envoys, and while it does not throw much light on the circumstances that led to the peace agreement it is given herewith as a contribution to the record of the Portsmouth

"The questions of the final disposition of the Island of Sakhalin and the reimbursement to Japan of her war expenses have from the first been issues upon which an absolute divergence of view existed. The differences of opinion upon these pointsnot one, but both-have frequently threatened the existence of the conference. But his Majesty the Emperor of Japan, responding to the dictates of humanity and civilization, has, in a spirit of perfect conciliation and in the interest of peace, authorized his plenipotentiaries to waive the question of reimbursement of war expenses and has consented to a division of Sakhalin upon terms which are mutually acceptable. thus making it possible to bring the important work of the conference to a suc

WITTE AGAIN SAYS NO INDEMNITY. What happened in the conference to-day can be told briefly. The Russians went to the Navy Yard hoping, but not sanguine, that the Japanese would make a substantial concession. They believed, however. in spite of reports, that the indemnity demand would be withdrawn that the new proposal of Jaran would not meet the positive ermination of Russia not to pay a cent as remuneration for Japan's pecuniary They were of the opinion that the session would be like many of those previously held-a discussion and then an Edjournment for several days to enable both

governments. But nothing of the sort occurred. When the envoys met in the conference room, Baron Komura began the progradings by

sides to communicate with their respective

answer to make to the compromise proposals submitted at the last meeting, which was that Russia should pay Japan \$600,-000,000 for the recession of the northern peace on Russia's terms. Japan, they part of Sakhalin Island. Mr. Witte answered promptly that he had a final and definite answer to make, and it was that Russia would not pay a single penny to Japan.

Baron Komura evidently expected this response, for he was ready with another proposition. He suggested that the price be scaled down, and was again informed by Mr. Witte that no money would be

"I have spoken my last word and so has my Emperor," said Mr. Witte in effect. THEN JAPANESE MYOTS YIELDED.

Then came the most dramatic moment the conference. Quietly, with characteristic Oriental stolidity, Baron Komura offered in behalf of Japan to waive the olaim for indemnity. He spoke in Japanese and when his words had been interpreted into French for the benefit of the Russian envoys they were unable for a few seconds to comprehend the importance of their adversary's generous pror sition.

But Mr. Witte's astoni wore away, and with that ability to grasp situation promptly, born of his practical training in business, he answered Baron Komura without any evasion.

"In that case," he said, as he told the story afterward to those who sought the good news from his own lips, "we will give you half of Sakhalin."

Baron Komura did not give his answer at once. There was some discussion, the details of which are of no great importance now, and in the end the Japanese assented to the Russian offer, thus insuring peace.

ARRANGING THE DETAILS. The rest of the meeting and another session held this afternoon were devoted to arranging details. It was agreed that Russia should pay Japan the actual cost of keeping the prisoners of war, minus the cost to which Russia has been put for caring for the few soldiers, sailors and civilians who are in her oustody. It was agreed also that Sakhalin Island should be divided on the fiftieth parallel, Russia retaining the northern part, which commands the mouth of the Amur River, and Japan the southern part, commanding Le Perouse

Strait and nearest Vladivostok. The question of a pecuniary adjustmen of the claims of Russian and foreign holders of the bonds of the Rastern Chinese railway, which Japan will obtain from Russia by the terms of the treaty, was not pressed, so that Japan will secure control of this great enterprise without binding herself to pay a dollar.

TREATY TO BE SIGNED AT WASHINGTON The treaty will be drawn by Prof. Martens, the international law adviser of the Russians, and Mr. Denison, the diplomatic adviser of the Japanese envoys. Mr. Denison is an American, and Prof. Martens is well known in this country, naving been associated with the Venesuelan boundary arbitration in Paris in Mr Cleveland's second term as President and as one of the arbitrators of the Pious fund case at The Hague, in which the United States and Mexico were the parties. They were instructed to begin work immediately, and it was announced to-night that they expected the treaty to be ready by Saturday.

The present intention is to adjourn the conference to Washington when the drafts of the treaty have been made and to sign them there. Thus the convention, which will end the greatest war in the world's history, will be known as the treaty of

CALL FOR AN ARMISTICE.

There was some discussion also by the conferees at the morning session in regard to the declaration of an armistice, and it was agreed that the envoys should urge upon their Emperors that a constion of hostilities be arranged without delay. Telegrams to that effect were sent by Mr. Witte to the Czar and by Baron Komure to the Emperor of Japan. It is probable that a armistice will be signed on the Manchurian battlefield by Marshal Oyama and Gen. Lini evitob.

WITTH TALES OF THE RESULT.

Mr. Witte talked freely over the outcome of the negotiations. He was greatly pleased and showed it, although he did not give vent to any enthusiastic elation. Beated in his room in the Wentworth annex with a crowd of newspaper correspondents grouped about him, he spoke calmly and quietly of the result of the Portsmouth

"Last night," he said, "I considered the case hopeless. But you see I did not know the Japanese nature. They had told me repeatedly that they could not go home without money. Their yielding to-day was a most joyful surprise. I thought the war would go on. Instead, we are to have

"I think the change in the attitude of the Japanese came after Mr. Takahira's call on me on Sunday night. I told him then that Russia would never pay a cent of indemnity; that Russia's credit was still good in Paris, Berlin and New York and that we would have planty of funds to carry on the war. I told him that when I was Minister of Finance I had received s million rubles of gold, which we had not since touched. We really have enough money, and we could obtain more.

"Mr. Takahira left my room with th words: 'I will cable to Tokio.' Yesterday the Japanese Privy Council agreed to our terms on condition that the treaty should NOTHING QUITE EQUALS IT.
The Twendigh Conterp Limited, the 18-1
train between New York and Chicago by the
Tory Content Lines. Leave New York Lab. F.
Service Chicago 538 and many law.

asking Mr. Witte if Russia had any formal be lasting. Yesterday evening I knew that I would pay nothing, but I did not know that Japan would give in upon this capital point for her. Several times Japan has declared haughtly that she would not psychology. I did not believe that she was going to give in, and my joy and my surprise are very great.

"Many of my countrymen thought I should not pay them indemnity. On the other hand, many other Russians, even some of my compatriots here, as well as your President. Mr. Roosevelt-Englishmen, Frenchmen-all advised me to give them money. was the only one to stand out against giving a penny. I held firm. Russia pays nothing.

"HONORABLE PEACE FOR RUSSIA."

"The peace is now so arranged that we might also say it is signed. Many of the details are settled and we have spoken of others in such a way that no split is possible. The peace is an honorable peace for Russia. She has ceded nothing, done nothing contrary to Russian honor and Russian interests. The Japanese demanded the railroad as far north as Harbin. I gave it to them only to Kuang-Chent-Tzo (Kun-Shien), a point considerably below Harbin, and have won.

"They asked for an indemnity for reim bursement for war expenses. I remained as adamant. They demanded the cession of Sakhalin in its entirety. We consented to a part, less important to us, and have won. We have refused to pay an enormous amount of money for Sakhalin. We have replied that we would pay nothing and they have given way. All the world counseled us to pay money to Japan, but no indemnity will be paid in any form.

AGREE TO RELEASE OF PRISONERS.

"An armistice has been discussed and submitted to the Emperors. The release of the captives has also been agreed upon As you well know, Japan renounced the surrender of interned ships and the limitation of Russia's sea power. We will pay the cost and keep of the prisoners."

SATO TALKS FOR THE JAPS.

When the Japanese envoys and their secretaries returned to the Wentworth from the navy yard this evening they were very tired. It had evidently been a hard day with them. When Mr. Takahira was asked to submit to an interview he begged to be excused, saying he was greatly fatigued. He said that Mr. Sato, who is the official mouthpiece of the Japanese, would do the talking. There was a scurrying of newspaper men after Mr. Sato. He took his station on a raised platform of the Wentworth's rear porch where the band plays when the weather is fine. Then he med the Javenness distances given above.

When he had faished the questions came

thick and fast "The first thing in the morning," he said. the Russians replied to the compromise scheme. The answer was a partial refusal. Then the Japanese put their final terms. They were accepted without debate. There was no proposition made to reduce the indemnity."

"How about the prisoners?" Both sides will send in their bills. The Russians will pay the balance."

Mr. Sato smiled faintly at this point. "The boundary of Sakhalin has been determined," he went on. "It will be the fiftieth degree. I can't say how many articles there will be to the treaty. Eight have been decided upon. Some few will be added.

"No specific sum was mentioned for the maintenance of the Russian prisoners. Payment of money was not mentioned in any form, either for the Chinese Eastern Reilroad, Sakhalin or anything else. No. I won't say whether the Chinese Eastern Railroad is to be turned over to Japan at all. I know, but I won't say."

"Was there any ceremony in the conference room when the envoys reached their agreement?"

"I am not a good observer of such triffing things," answered Mr. Sato. "Was the first proposition, which was turned down this morning, the offer to give

over Sakhalin for \$630,000,000?" "What is the use," said Mr. Sato, walking toward the elevator, "of talking about a dead carcass? The only important thing

what we agreed on." ENVOYS MEET AGAIN TO-DAY. At the afternoon session of the plenipoten tiaries the treaty clauses relating to the evacuation of Manchuria and the extension of the most favored nation treatment to Russia in the new territory acquired by Japan were discussed and agreed upon. The conferees will meet to-morrow morn-

TREATY OF SAGAMORE HILL." Suggested That Peace Convention

Signed at Prosident's Home. WASHINGTON, Aug. 29.—It has been suggested here that in view of President Roosevelt's activities in behalf of peace, the final treaty between Russia and Japan be signed at the President's home in Oyster Bay, and that the document be called the "Treaty of Sagamore Hill."

The State Department has nothing to indicate when the peace conference will be transferred to Washington or that it will come here at all, further than the original plans, which were to hold the session of the conference in the summer months at Portsmouth and then come to Washington to sign a treaty.

The main reason for this is that it may called the "Treaty of Washington." A Government official to-day said th envoys might stay in Portsmouth and Anish the whole work there.

10 MOURS TO CHICAGO OVER

to Our Bankers.

CZAR AFTER \$100,000,000 ?

Part to European Bankers.

For First Time This Country Will Take the Initiative-Not Believed That the Peace Arrangements Will Cause Any Stringency in the European Financial Markets-Foreign Bankers Have Large Accumulations to Meet Any Possible Indemnity-Wall Street Not Surprised.

Upon the announcement of peace yesterday it was learned upon the highest authority that American bankers are now prepared to float a great Russian loan. As a matter of fact, financiers in this city have had the terms of a Russian loan in mind for several months past and the Russian Government has known that upon the conclusion of peace it could raise money here. On the other hand, both the combatants have known how difficult it would be to get the funds to continue warfare. Knowing this, Wall Street was not greatly surprised at the conclusion of peace.

A matter of great interest regarding the forthcoming loss is the probability that American bankers will take the initiative in floating it. Hitherto the foreign bankers have taken the first steps in raising money for the combatants and American bankers were asked to associate themselves with the foreign houses. But the American firms will this time ask London, Berlin and Paris to take a part in the new loan.

As to how much money would be raised here no one with authority would speak. An estimate was that \$100,000,000 might be the sum. Aithough one or two well known banking firms will assume the leadership in the new loan, it was stated that a syndicate including many other banks and firms would participate.

It was also said upon good authority that another Japaness loan would be floated here, and, as in the case of Russia's borrowing, the local bankers would, for the first time, take the initiative. No estimate of the amount was given.

One opinion expressed by bankers here was that Russia while not paying an indemnity would have to make some very sheavy payments to Japan for food and lodging of Russian prisoners. So great would these payments be that in the opinion of one banker they would almost amount to indemnity.

will not suffer a money stringency as a result of the conclusion of peace. It was pointed out that Europe had expected the payment of a large indemnity by Russia, and had accumulated great funds for such contingency. These funds, it was said, would be more than ample to meet any possible squeeze.

One result of the announcement of peace was a considerable gain in price by the various issues of Japanese bonds, which have been weak of late. There was a fractional advance in stocks after the news from Portsmouth, followed by a decline and toward the close a general advance.

CHINA MAY PAY JAPAN. Europe Hears That Rumor-Well Please at Ending of War.

Special Cable Despatch to THE SUM LANDON, Aug. 29,-Except in official pircles at St. Petersburg and Berlin the news that peace has been made will be received throughout Europe with unbounded satisfaction and rejoicing. Hope of this result had been practically abandoned since it was known there was no chance of Russia yielding to Japan's prin-

The idea that Japan would again abandon the fruits of victory after repeatedly declaring the opposite intention was hardly considered among the possibilities of the situation until two days ago.

Then it was whispered in certain diplomatic circles that a secret agreement existed between Japan and China, by the terms of which the latter agreed to pay the expenses of the war for the restoration of Manchuria in case Japan failed to compel Russis to pay an indemnity. There is no adequate authority for this rumor, but it is received with a certain amount of credence, especially since the news has come of Japan's amazing sacrifice of her principal

It is pointed out that such compensation by Chine to the country which conquered and restored to her this great province would be only just and equitable. It would be unresponable to expect Japan to perform this great service as an act of magnanimity, and that she is entitled to receive the full expenses of her campaign minus only the value of Port Arthur, which will remain in Japanese hands.

If such an arrangement exists it canno have been knewn in St. Petersburg, for tonight's despatches from there indicate that no one was so much surprised at the Japanese withdrawal as the Russians themsolves. It was true that before the outbreak of bostilities the Russian Government did not expect and did not desire war. It has been true throughout these negotiations

that the Russian Government did not expect

and did not desire peace.

The latter fact was fully understood by Japan, at least during the past few days, and diplomatic opinion here inclines to the give in. I am ignorant of the Japanese Russia and Japan Now Turn belief that this was one of the strong motives which induced Tobio to close with her adversary on the terms to which she has assented, in full confidence that they would not be accepted.

No one in the diplomatio world ascribe the Japanese decision to considerations of magnanimity or humanitarianism. They do, in most cases, credit her with wise statesmanship. Russia's claim that she was American Syndicates Will Allot able to carry on a defensive campaign until Japan was completely exhausted is not regarded as a mere bluff by the most impartial European authorities. Some go so far as to say that Japan in the future would never have been able to get terms so favorable as she obtained to-day. This idea is coupled with the suggestion that Russia may interpret Japan's withdrawal as a confession of weakness which might create danger of future Russian aggression.

It is recalled that Japan's original announcement was that her principal motive in demanding an indemnity was to ensure lasting peace.

It has been represented to-day that Great Britain has been putting pressure on her ally to make peace. This is untrue. England has earnestly desired peace, principally on account of the European crisis and in order to curb the Kaiser's adventurous spirit. Japan is fully aware of this and she is in full sympathy with the British wishes, but she has not been called upon to sacrifice her own interests in this or any other respect.

It is in its effect upon the European situation that peace is the most welcome. Today's news from Portsmouth relieves grave anxieties in several capitals. There was serious danger of a renewal of the peril to European peace which alarmed the world early in the summer. The personal relations between King Edward and Emperor William are so strained as to amount to positive hostility. The Moroccan crisis is again becoming serious. The fact that Russia will now be able to place a large force on her western frontier at short notice must have a restraining influence of immense value during the developments of the near future. Europe welcomes peace for her own sake, and therefore with a sensation of intense relief.

RUSSIAN WAR PARTY ANGRY. Rest of Czar's People Expected to Wel-

come Peace. From THE SUN Correspondent at St. Petersburg. ST. PETERSBURG, Aug. 29 .- The news of the peace agreement did not reach here until 8 o'clock this evening. It speedily circulated by word of mouth and was received with general incredulity.

It is no exaggeration to say that it produced dismay in official circles and amazemoment had it been expected here that Japan would abandon all her essential members of the war party believed that peace was a possible outcome of the conference. Their attitude to-night is one of furious exasperation as of people who have been tricked into a false position.

The plans of the Government are com pletely upset by the sudden change in the situation. The reactionaries talk chiefly of future revenge against Japan, but they are more immediately concerned by the vital effect of peace upon the internal situation and the resulting confusion in all the Government plans.

There is even rash talk of sending Gen Linievitch's army immediately against Constantinople in order to prevent the return of the troops to their homes to foment revolution, and for the purpose also of retrieving the military prestige of the empire.

There cannot be the smallest doubt that the country at large will welcome peace with the utmost enthusiasm now that an indemnity has been abandoned and the territorial sacrifices will be a mere trifle Russia, outside of official circles, is only too glad to settle the issue with Japan on the basis of a drawn battle. The public satisfaction is still further increased by the discomfiture of the war party.

Less than an hour before the news the agreement arrived, the Ministry of Foreign Affairs gave out a statement the effect that it would be impossible to reach a settlement through the introduction of an arbitration commission to fix the valuation of a recession of the northern part of Sakhalin. It was declared that all such projects would be declined, because they contained the principle of a money pa yment.

JAPS LOSE VICTORY'S FRUITS. Yield What Probably No Other Nation on Earth Would Have Yielded.

WASHINGTON, Aug. 29 .- A public officer whose relation to international affairs makes his opinions of value said to-night concerning the terms of the proposed treaty of peace between Russia and Japan:

to make. Victor in the war with China she seemed to have lost the fruits of her victory. Again victor in the war with Russia, she has apparently yielded the fruits of victory. President Roosevelt's intervention came at a most opportuni

time for Russia.

"Japan has gained a world prestige almost inestimable. Hereafter any nation will hes itate before striking at Japan. Moreover, think that when the treaty is finally drafted it will be found that somewhere Japan has wrung from Russia a guaranty, expressed or implied, looking to permanent phace That alone is a great victory for Japan That is the real kernel in the peace nut."

OVATIONS FOR THE ENVOYS.

PRICE TWO CENTS.

Watchers at the Conference Cheer Men Who Agreed on Peace.

PORTSMOUTH BELLS RING.

Dramatic Scene When First Word of Agreement Came to the Correspondents.

All Grouped Around the Telephone Bee ceiver While One of Their Number Announced the Message-Russians Openly Rejoice, While the Japanese Are Bliens -Girl From Washington Starts the Cheering-Rush to Greet Witte When nity? Not One Sou." He Declares, and Also Well Received When They Arriva--Witte Seen to Kiss Rosen as They Lors the Navy Yard After the Agreement

PORTSMOUTH, Aug. 29 .- Never was pe nnounced to the world so prostically and ret so dramatically.

It was a gray, cold morning. The correspondents were loafing about the hotel waiting for luncheon or reading the morning newspapers. A group of summer girle was acked up on one of the settees in the lot They had filled it and were overflowing on the floor. At that moment they were playing a counting out game. On the piazzas the matrons, in fall wraps, were doing fancy work and gossiping. The hotel or-

chestra was playing a two step.

The telephone operator of the hotel approached a correspondent on the fro

"Mr. Korostovitz wishes to speak to and of the correspondents," he said. "I have switched him onto the deak telepho that every one may hear:" There was a rush of correspondents from

every direction. They piled up arms shoulders around the telephone.

"Hello," said the man at the telephone. "Yes, this is ——. Yes, the other correspondents are here; Mr. Korostovita; I'll

repeat to thom; let ber go." We had waited so often for an important statement and beard so often a for ment to the general public. Not for a parry that there was no special excitament in the crowd, only an anxiety to hear and get it straight.

> "Yes, we're ready," said the man at the telephone. "In the session of the mornng of Aug. 29 the conference--- What? The question came as sharp and sudden as the crack of a whip. His tone sent a thrill through the growd. There were seconds of absolute silence before he went

on respecting, in a voice that shooks little: "The conference arrived at a complete second on all questions. It has been cided to proceed to an elaboration of the treaty of peace. The conference adjourned until 3 o'clock this afternoon.

The telephone receiver dropped from of correspondents back to their as There arose a murmur—many voices stying over and over almost under their be "Peacel peacel" and for fully ten second no one moved.

Suddenly a correspondent broke away from the group and rushed for the telegraph office. The spell was graphed. There was a wild scramble after him. Operat began pounding madly on their The summer hotel people were shake hands and the women were kissing while an old man steed in the corner helding the hand of his daughter and crying with emotion. Boris Souvoivine of the press was running about hugging every one he could lay hands on. The Japanese, on the other hand, stood stupefied.

GIRL STARTS THE CHERRING.

As yet there was no cheering. The men who made up the central group had w to do. It was theirs to get to the wire and cheer afterward. The summer girls in the background who had stood form were the first to wake up to their respon bility. Over the crowd floated a girl's voice: "Why we haven's observed was Let's cheer!"

It was Miss Zelms Pilson of Wa who started the cheering around the want for the peace of Portamouth

AN OVATION FOR WITTE. A half hour of rushing about is conpassed before a red auto spun past the gratulation and of rattling telegraph he piazzas: "Wittel Wittel"

There was a rush like a riot, sixty or spondents and 100 guests agrinting for the Russian annex, where the envoys stars alighting. The growd caught Witte and held him. By common accord the foreign correspondents lined up on one side of the plazza, the Americans on the other. But denly a Frenchman yelled "Brave, bravel and the foreigners chipped their bais and joined in. A Kentuckian among Americans lifted his voice in a rebel ye and all the Americans, Escalaire, North and Victoria, evening the she Work to work of the Constances.